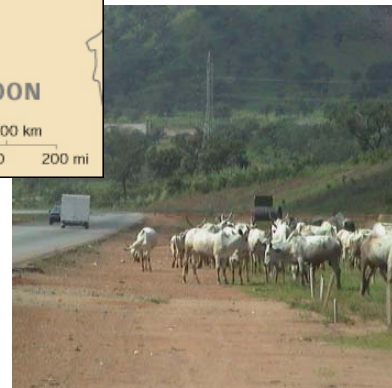
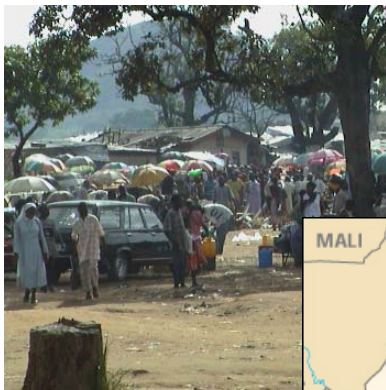


USAID/Nigeria

Assisting Nigeria's Transition to Economic,
Social and Political Stability



FY2002 Annual Report

Please Note:

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Part III. USAID/Nigeria FY 2001 Performance Narrative

A. Challenges

Nearly three years into this democratic transition, Nigeria's young democracy continues to rebuild institutions of its fledgling democratic government and society and is attempting to restore the country's international image. At the same time, Nigeria is attempting to revitalize its economy and attract greater private sector investment to generate growth and spread the benefits of democratic governance to a largely impoverished nation. The country is rebuilding, but the political and economic transition is proving more difficult than expected. The challenges ahead are significant. Nigeria's development is hampered by an over-dependence on oil (about 46% of GDP and 85% of the country's foreign exchange earnings), limited foreign and domestic investment, ineffective economic management, high population growth rate, an overburdened and ineffective education system, ethnic and religious conflict, weak governance, corruption and an increasing HIV/AIDS prevalence rate.

The year 2001 was one of gradual economic improvement with more ups than downs. Economic growth continued modest recovery, estimated at 5% in 2001 compared to 3% in 2000, no mean achievement in a year of declining oil prices and world recession. Agricultural growth in the first half was 3.9% and is expected to reach 4% for the year as a whole, also an improvement from last year. Despite the country's oil wealth, poverty is widespread, and Nigeria's basic social indicators place it among the 20 poorest countries in the world. GNP per capita, at about US\$260, is below the level at independence 40 years ago. About 66% of the population now falls below the poverty line of roughly one U.S. dollar a day. External debt in December 2001 was \$28 billion with debt servicing (primarily to multilateral institutions) absorbing more than 3.5% of the total Government of Nigeria (GON) budget in 2002. Underlying many of these problems is the persistence of corruption throughout the society and government. As the Mission gains experience with the complexity of corruption in Nigeria, we plan to develop additional programs to address this issue in the short term, as well as in our new long-term development strategy.

USAID/Nigeria's transition strategy addresses the key elements of a poverty reduction program: democratic governance, economic management and agriculture, basic education and youth workforce development, health, and infrastructure and energy. The Mission's accomplishments in 2001 have primarily focused on strengthening key governance institutions and improving delivery of basic social services. Institutions such as national and state legislatures are maturing in their understanding of legislative roles and responsibilities, and are now more focused on key domestic issues, especially at the state level. Economic management institutions have been at the forefront of our assistance in strengthening the GON's capacity to focus on major economic problems. In the social sector, our program in FY 2001 began initiating major educational reform activities in three states which will use an innovative methodology to train teachers in English and math, eventually reaching some 50,000 students. Twenty years of neglect, however, will require major investments by the GON to begin achieving significant improvements in literacy and numeracy. In health, our program increased the availability, demand for and supply of family planning, HIV/AIDS and child survival services. Nonetheless, Nigeria remains a pro-natalist country, with low contraceptive prevalence (less than 10% for modern methods). In the absence of a focused population program, the country's population will double in 23 years. Nigeria has the potential to build a highly prosperous economy, to reduce poverty significantly, and to provide health, education, and infrastructure services its population needs. The challenge over the next decade will be to fully engage Nigeria's leadership at all levels to more effectively develop and promote policies and incentives to address these issues.

In support of the Agency's Global Development Alliance, the Mission formed several new alliances over the course of 2001. These strategic partnerships significantly enhanced USAID's efforts to eradicate polio (working with WHO; UNICEF; European Union; the Nigerian, British, and Japanese Governments; and Rotary International) and increase the use of socially marketed contraceptive commodities (in partnership with DFID). As a result of these alliances, USAID was able to leverage an additional \$35 million from \$2 million of USAID support for polio eradication, and another \$10 million from \$5 million for

condom social marketing. More importantly, these efforts have significantly impacted on Nigerians. Specifically, more than 47 million children were vaccinated against polio over the past year and polio has been effectively eradicated in Southern Nigeria (although 57 cases of wild polio were reported in the North). In our efforts to reduce the spread of HIV/AIDS, the social marketing program dramatically increased condom sales and overall contraceptive usage over the year.

During 2001 the Mission completed a comprehensive Performance Monitoring Plan for each of the sectors. The PMP forms the basis upon which the Mission will management for results and monitor the achievement of impact at all levels of the program. The final PMP was submitted to USAID/W in early February 2002.

A. Program Performance

620-006: Transition to Democratic Civilian Government Sustained

After two full years of implementation, USAID/Nigeria's democracy and governance program continues to meet or exceed planned targets as Nigeria's fragile democracy moves toward implementing a second round of national, state and local elections, scheduled for 2003. Public confidence in democracy remains high, with approximately 70% of the population willing to give elected officials time to address social and economic problems, as opposed to considering an alternative form of government. Significant challenges lie ahead, however, as dissatisfaction with specific aspects of government performance is mounting, and signals are that competition in the upcoming elections is likely to be fierce.

USAID's program will continue to focus on conflict mitigation, voter education and monitoring of the electoral process (in partnership with other USG agencies), as well as working with competing parties and election administration authorities to increase the transparency of the electoral process. At the same time, key elements of a functioning democracy—e.g., effective legislatures, delivery of the rule of law, reducing corruption, effective civil society—remain critical objectives to stabilize government during and after potentially rocky electoral interregnums. The beneficiaries of these activities are the 120 million Nigerians who are demanding a more accountable and transparent government.

Achievements

Governance: USAID's legislative strengthening program met performance targets overall as the national and state assemblies more actively addressed their institutional development needs as well as the provision of important “democratic dividends” such as education, agriculture, and health. The National Assembly (NA) grappled with major domestic issues, particularly the electoral law and the national budget. While missing the 2001 target for the number of key bills passed, the NA deliberated on weighty and controversial matters that consumed a significant portion of their time. The eight USAID-assisted state legislatures, however, passed the targeted number of bills that qualified as meeting important constitutional and public needs. (The 62 bills passed exceeded the target of 50.) The average number of bills addressing “democratic dividend” issues in the USAID focussed states increased from two in FY 2000 to four in FY 2001. The bills also included important examples of improved procedures and institutional development. Following training on representative functions, the Rivers State Assembly instituted new programs of public information about committee hearings and legislative decisions, while training on institutional requirements for strong legislatures led the Edo and Niger State Assemblies to pass laws establishing legislative service commissions to manage Assembly staffing.

Rule of Law: In 2001, new approaches to improving the performance of courts were evident in the three pilot states of USAID's judicial strengthening project. The project recorded notable successes during the year through its efforts to expose judges and other legal practitioners to new ways of managing courts and cases. Baseline data for case disposal rates has been established, and initial steps have been taken toward decreasing time to disposal. As a result of USAID-provided training, working groups have been established in the high courts of the three pilot states to review factors that contribute to backlogs in courts. In Kaduna State, the Chief Judge has built additional courts to reduce congestion of cases, while

25 new judges have been appointed in Lagos State, and new court buildings with modern facilities are being constructed.

Credible Elections: Performance targets were exceeded in USAID's election administration activities during 2001. The electoral administration capacity index for 2001 exceeded the target by 60% (32 points vs. 20 points). USAID assistance trained election officials on electoral management capacity, strategies for collaboration with civil society, effective management of voter registration and polling, and voter education. In addition to supporting collaborative meetings between the Independent Nigerian Electoral Commission (INEC) and civil society on a draft voter-education program blueprint, USAID facilitated a forum—the first such meeting in eight years—for INEC's 37 State Public Affairs Officers to provide field input into the voter education program. USAID assistance also trained 62 INEC staff in information technology, which assisted INEC to develop a voter registration database management system. The timetable for implementing voter registration has been compressed due to political wrangling over the electoral law and failure of the government to provide sufficient resources to INEC. INEC faces a serious challenge to assert its independence and press for required resources. However, USAID's program, with its emphasis on providing flexible and constant technical assistance, is ideally positioned to help the INEC to develop the most workable contingency plans to deal with these challenges.

Civil Society: Integrated approaches to improving civil society's access to lawmakers and supporting their advocacy yielded important results in 2001. While lawmakers are increasingly attuned to the need to create opportunities for public participation, civil society organizations are mobilizing more effectively to take advantage of these opportunities, and to press for further changes. USAID's assistance to legislatures and women's groups resulted in new laws banning early withdrawal of girls from school and forced early marriage (Gombe State), and giving widows the right to inherit their husband's property (Enugu State). Sustained advocacy by the Freedom of Information (FOI) Coalition led to the second reading of and a public hearing on the FOI Bill, though passage has been delayed by other political distractions in the NA. With great attention being focused on the upcoming elections, USAID's civil society partners facilitated the establishment of an advocacy coalition around the draft electoral bill. The Electoral Reform Network reviewed the draft law extensively and made presentations to the NA. The network has since maintained an effort to press for further response to their concerns and watch legislative developments regarding the electoral law. A new USAID-funded civil society program, to be awarded in mid-2002, will increase focus on conflict mitigation, election-related civic education and monitoring, and anti-corruption activities.

Conflict: Through its Office of Transition Initiatives, which closed in September 2001, USAID funded over 100 grants to respond to conflict and prevent new outbreaks. USAID-supported Peace Consultative Forums provided platforms for identifying early warning signals, encouraging dialogue, and stimulating state-civil society interactions to mitigate conflict and build peace. The Lagos Peace Consultative Forum helped to forestall potential violence between Hausa cattle dealers and Yoruba butchers at the Lagos State Abattoir. The USAID-supported Conflict Resolution Stakeholders Network (CRESNET), with a membership of 200 individuals, established itself as a known resource for conflict management services and information. In the Ife-Modakeke and Eleme-Okrika areas, Joint Peace Advocacy Committees have recorded significant achievements in mitigating the human and financial costs of violent conflicts over control of land. Peace messages in the media and training programs on conflict mediation and joint problem solving assisted in halting killings during the Jos, Kaduna and Kano religious crises. USAID/Nigeria assumed responsibility for the OTI conflict activities upon OTI's closure in September 2001.

620-007: Strengthened Institutional Capacity for Economic Reform and Enhance Capacity to Revive Agricultural Growth

When Nigeria's current government took the reigns of power in 1999 the nascent democracy inherited an economy devastated by years of mismanagement, corruption, and neglect. Despite its abundant natural (e.g., oil and natural gas) and human resources, Nigeria's per capita income is one of the lowest in the world—less than \$300 yearly—while its agricultural sector, once a supplier to the region, is currently unable to meet even the internal needs of the country.

Assistance through this Strategic Objective (SO) supports Nigeria's efforts to institutionalize economic reform by building capacity in key institutions. The SO is also providing assistance to help Nigeria revive its agricultural sector. Both objectives are key elements to helping Nigeria achieve long-term economic, social, and political stability. Programs managed in the SO's portfolio, from the strengthening of economic policy and related government institutions to the support of rural farmers, achieved impressive results during FY 2001, and met the targets set forth in last years R4.

Achievements

Economic Policy and Institution Strengthening: The keystone of this effort is a program of support to the Economic Policy Coordinating Committee (EPCC), a cabinet-level committee composed of key economic-sector Ministers and chaired by the Vice President, which oversees the development of economic policy. USG funding supports a technical advisor to the EPCC Secretariat, which assisted the EPCC to review and discuss a number of issues, including inflation, poverty eradication, and unemployment. A notable achievement this year was the EPCC-organized, first-ever public review of the National Budget by business and civic groups (also supported by USAID/Nigeria). The response to this conference was universally positive, and requests have been made to conduct the review on an annual basis. The EPCC also expanded the National Poverty Eradication Paper into a draft Interim Poverty Reduction Strategy Paper (IPRSP). In 2002, the EPCC, with input from the donor community and key stakeholders, will develop this document into a formal IPRSP (a pre-requisite for an IMF standby agreement and for IMF and World Bank support for Nigerian debt relief).

In 2001, the Executive Council endorsed the new Trade Policy, which only needs the National Assembly's approval to be formally adopted. USAID assisted with the preparation of this policy (drafted in FY 2000), which encourages international trade and investment and promotes opportunities offered by the African Growth and Opportunity Act. Although comparable efforts to revise the Tariff Schedule have made less progress, the SO has made progress to this end by initiating a variety of studies examining trade policies in other countries, the impact of trade barriers, and the impact of proposed revisions to the tariff schedule. USAID, in collaboration with the World Bank, also sponsored the continuation of the National Corruption Survey. In addition to establishing a baseline for the extent of corruption in Nigeria, results from the survey will be used to develop a new program of support for Nigeria's anti-corruption efforts. Data collection for this survey was completed in 2001 (over 6,000 Nigerians throughout the country participated), with the analysis and preparation of a report to be completed in 2002. Results from the survey will be disseminated in 2002 through a nationwide media campaign.

Private Sector Environment: A major component of the SO's to support private sector development has been assistance to the Bureau of Public Enterprises (BPE), the institution responsible for effecting the transfer of government-owned assets to the private sector (privatization). Privatization is a priority of the current government, and a critical step in improving the management of these assets. USAID/Nigeria has provided BPE with technical advisors to establish a transparent process, based on international best practice, for the preparation and sale of government-owned businesses. BPE's most notable achievement for the past year was the sale of Nigerian Telecommunications (NITEL) in what is widely recognized as an open and transparent manner. With a winning bid of \$1.317 billion, this sale (if completed) will be the largest ever of an African telecom. BPE also successfully prepared and sold NigerDock Industries (a ship building company) for more than \$30 million. Equally important, USAID support has significantly strengthened BPE's institutional capacity, as evidenced by its preparation of 44 government-owned companies for sale.

The SO also supported critical research identifying the constraints and opportunities in Nigeria's private sector. Working with the World Bank, USAID/Nigeria conducted an Industrial Sector Survey (ISS) to examine factors limiting industrial development in Nigeria, including the potential impact of HIV/AIDS. A final report will be prepared and disseminated in 2002. In a related activity, the Private Sector Assessment (PSA), examining the general barriers to private sector growth, was completed (the study was initiated in 2000) and a draft report prepared. The PSA has been presented in two workgroups in Lagos and Abuja, and recommendations have been presented to the GON.

Agriculture: The SO supports a number of activities in the agricultural sector, including programs to strengthen Nigeria's agricultural policy as well as to disseminate critical knowledge and improved technology to farmers. A key achievement this year was the preparation of a Rural Sector Development Strategy (RSDS). Working in collaboration with the World Bank and DFID, USAID/Nigeria funded a rural sector assessment that served as the foundation for the development of the strategy. The RSDS provides a comprehensive, integrated framework to coordinate public and private sector activities in rural sector development and investment, and has been endorsed by the Nigerian Government as the official rural development strategy.

Activities directly supporting Nigeria's rural farmers have also achieved significant results to date. For example, the USG currently funds the dissemination of advanced technologies, techniques, and seeds as part of a program to modernize farming in Nigeria. More than 4,300 Nigerian farmers participated this year, bringing the total number of beneficiaries to 9,000 (including 4,700 in FY 2000). A separate but related program recruits U.S. agricultural experts to volunteer to conduct on-site training in Nigeria. Twenty-six U.S. volunteers traveled to Nigeria in FY 2001, covering topics such as post-harvest food processing and storage, management of farmer cooperatives, and small-pond aquaculture start-up. In total, nearly 1,000 Nigerians directly benefited from the program this year (including 466 women), and an impressive 400,000 more are estimated to have indirectly benefited (e.g., farmers and employees families).

620-008: Develop the Foundation for Education Reform

USAID/Nigeria's primary education objectives are meeting expectations for FY2001. This is a new program that began in FY 2000. Program design and procurement in early FY 2001 resulted in the award of a cooperative agreement to a U.S.-based non-profit organization that began implementation in November 2001. Thus, FY 2001 was a time of program start-up. FY2002 will be a time of implementation. As a start-up program, this SO met expectations in 2001. However, the target of 3 local government areas using census data for budgeting and resource allocation (as specified in last years R4) was not achieved due to the fact that no census data was collected.

USAID awarded a \$10 million cooperative agreement in September 2001 to the Educational Development Center (EDC) Consortium (including EDC, Research Triangle Institute [RTI] and World Education Inc. [WEI]), to implement the Literacy Enhancement Assistance Program (LEAP). A total of 330 schools in three states (Lagos, Kano and Nasarawa) will participate in LEAP, with two-thirds of the schools public/secular and one-third of the schools Islamic. Key activities under LEAP include teacher training utilizing Interactive Radio Instruction (IRI), small grants to foster community participation in schools, improved policy planning through the transparent collection and use of school-based data, professionalization of teaching, and the development of literacy/numeracy agendas at school, local government and state levels. The inclusion of the IRI methodology for teacher instruction is innovative within the Nigerian environment, and allows teachers to be "trained" in instructional methodology while they simultaneously apply these new skills in a classroom context, with an expected direct increase in student literacy and numeracy.

In addition to the LEAP project, the Mission awarded a \$2.9 million cooperative agreement to Opportunities Industrialization Centers International (OICI), a U.S. PVO, in January 2001 to address youth skills development (YSD) in three Nigerian states (Delta, Lagos, Kano). The project was launched in March 2001.

Achievements

Policy Support: USAID's leadership has been pivotal in encouraging the GON to conduct a new Education Baseline Survey (last conducted in 1995), data from which is critical for making effective financial and human resource allocation decisions. USAID funded the printing of data collection forms as well as the manuals for training data input personnel. The actual data will be collected by the end of

February 2002, with the expectation that the analysis and report writing will be completed by October 2002. This data will provide the baseline for the larger, donor-supported Education Sector Analysis.

Teacher Training: This component was launched in late 2001 to initiate activities to develop the IRI scripts for English and math teacher training programs. The first Scriptwriters Workshop selected twelve of the best participants to become full-time production staff for the 360 radio lessons that will form the core of the instructional broadcast material. Broadcasts, to begin in mid-2002, will be inclusive of gender, ethnic and religious factors specific to each of the three focus states. This component is funded through the Education for Development and Democracy Initiative (EDDI).

Community Participation: In late 2001, USAID's assistance funded the first Stakeholders Meeting for education authorities in Lagos State. This meeting set the parameters for USAID's education program and identified specific schools and communities in which we will work. Each of the participating sites is also receiving support from USAID's child survival program, thus facilitating integration of education and health activities within these geographic areas.

Youth Skills Development: This initiative is laying the foundation for an effective youth skills development program. It includes 'life skills' in conflict mitigation and HIV/AIDS awareness and prevention as part of technical skills training. Major accomplishments in 2001 include completion of a comprehensive baseline survey on workforce market needs and associated vocational training programs, and establishment of a new office in Kano. Further, a number of workshops were held to solicit participation and develop the curricula in Conflict Mitigation, HIV/AIDS Awareness and Prevention, and competency-based vocational education. It is expected that 5,000 unemployed youth will be trained in the first year. Already, more than 1,600 students in Delta, Lagos and Kano States have participated in training using the revised curricula.

620-009: Increased Use of Family Planning/Maternal and Child Health/HIV/AIDS Services and Preventive Measures within a Supportive Policy Environment

Nigeria's health indicators currently stand as some of the worst in the world. An assessment of USAID-supported countries by the Agency's Bureau for Global Health ranked the country second in terms of the magnitude and severity of its health problems related to HIV/AIDS, child health, and population. For example, with one of the lowest contraceptive prevalence rates worldwide, Nigeria is currently the third fastest growing population in the world (behind India and Pakistan). At the same time, the mortality rate among children 5 years of age and younger is more than 14%, and a staggering 1 million (approximate) children die each year from preventable diseases. Finally, Nigeria has the fourth largest population of HIV infected adults in the world, with the current number of infected Nigerians estimated at more 3 million – nearly 10% of HIV infected adults world-wide.

To address these serious health problems, this Strategic Objective (SO) focuses on increasing the use of family planning, maternal and child health, and HIV/AIDS services through programs targeting greater supply and availability of commodities, improving service quality and increasing knowledge of service availability. In order to maximize the impact of these efforts, many of these programs are focused in a select number of states. At the same time, the SO also supports national efforts in policy development, advocacy, behavior change communication and contraceptive social marketing. The programs managed in the SOs portfolio achieved impressive results over the past year, and met or exceeded the targets for FY 2001 as specified in last years R4.

Achievements

Family Planning: USAID/Nigeria's support for the revitalization of family planning in Nigeria includes programs to distribute and promote family planning services and products at the national level and in selected states. In 2001, USAID's efforts to increase contraceptive supply (through 2,000 commercial outlets nationwide, 3,000 community-based distributors, and 60 clinics), and demand led to a dramatic increase in the use of contraceptives as measured by couple-years of protection. Contraceptive use in Nigeria increased by nearly 50% (from 953,030 to 1.4 million CYP), more than 4 times the 10% increase targeted for FY 2001. Efforts to increase the use of family planning use will be significantly enhanced

with the commencement of a USAID-sponsored demand-creation program to positively reposition family planning nationwide. USAID supported the establishment of a National Advisory Committee to supervise qualitative research leading to the design of a nationwide mass media campaign promoting family planning.

USAID has also been instrumental in updating Nigeria's family planning policy. In FY 2001, USAID took the lead in supporting a GON review of its 1988 Population Policy. For the first time in Nigeria's history, the process allowed civil society and other stakeholders to contribute to the development of this policy. In a related effort, the SO provided technical assistance to the Federal Ministry of Health (FMOH) for an assessment of its contraceptive logistics management system, a critical first step in FMOH's efforts to improve the system. Further, the Mission has developed new allies in the effort to promote family planning, including recruiting support from both the Inspector General of Police and the Chief of Staff of the Ministry of Defense. USAID/Nigeria has also been successful in encouraging the Church of Christ in Nigeria (COCIN) to recognize the critical role they play in reproductive health issues. As a result, the church is supporting the development of a "male involvement curriculum."

Maternal and Child Health: A key achievement for the SO's programs in maternal and child health was the vaccination of 47 million children as part of the polio eradication effort in Nigeria. USAID supported the training of 200,000 vaccinators and other personnel and promoted the polio vaccination program through national publicity campaigns on radio and television. As a result of the GON's focus on polio eradication, however, little emphasis has been placed on the revitalization of routine immunizations against other childhood diseases (e.g., mumps and measles). This is a program long neglected in Nigeria, where the immunization rate is currently estimated to be as low as 20%. In response, USAID has begun implementing a program designed to strengthen routine immunization as well as other basic maternal and child health services (e.g., nutrition) in 20 local government areas. The activity engages community members in a participatory process to increase both demand for and access to routine immunization services.

USAID's support for child survival in 2001 included the development of a large-scale program in the Roll Back Malaria (RBM) Initiative. USAID funded market research to determine the appropriate bednets for a viable malaria program based on Nigerians preferences and resources. A major commercial sector partnership was solidified to ensure adequate supply to meet the demand generated by the USAID-funded publicity campaign. The launch of this program will coincide with the April 2002 RBM Day.

USAID leadership to place nutrition on the national agenda led to the implementation of a National Nutrition Survey, with the final analyses and report expected in 2002. In addition to providing baseline data for the nutritional status of the target group, the data will also serve to direct programs to the most needy areas of the country and help target the most vulnerable segments of the population. Mal- and under-nutrition in woman and children under 5 currently underlies more than 50% of all morbidity and mortality in this population.

HIV/AIDS Services and Prevention: Following USAID/Nigeria's information, education, and communication activities in HIV/AIDS, condom usage in Nigeria has increased significantly – up from 40% in 1998 to 60% in 2001 as measured by condom use at the last non-spousal sexual act. A parallel increase in the condom sales for 2001 (107 million in 2001, more than 50% more than in 2000) through the condom social marketing program confirms the impact USAID has had on encouraging condom use in Nigeria.

USAID's program to reduce HIV transmission in Nigeria has also trained more than 2,000 peer-counselors from targeted groups (road transport workers, female sex workers, and faith-based groups). More than 3 million Nigerians received HIV/AIDS information from these counselors by the end of FY 2001. Similar success was achieved with the establishment of a youth-oriented telephone hotline providing HIV/AIDS information, counseling, and referral programs. Launched in 2001, the hotline is intended to serve the greater Lagos region of the country (in Southwest Nigeria). However, in response to broad interest in and usage of the hotline in the North, the Mission is currently considering plans to expand the program in that region. Further, USAID's collaboration with COCIN was successful in raising

awareness of religious leaders in recognizing the critical role they play in helping to reduce stigma associated with HIV/AIDS. A positive outcome of this collaboration resulted in the reintegration of several people living with AIDS into their families.

More than 3,000 orphans and vulnerable children (OVC) in selected communities benefited from the SO's HIV/AIDS programs through access to education, vocational training, and basic subsistence assistance. And nearly 500 caregivers are receiving support for small micro-enterprise projects to assist them in supporting orphans affected by AIDS. More generally, 88 community-based organizations in the project area have committed to care for orphans in their areas, and 10 communities have formed OVC project implementation committees.

Finally, USAID supported the development of a formal presentation of the results from the recent sentinel survey, which shows HIV prevalence in each region and state and an increased national prevalence from 5.4% in 1999 to 5.8% in 2001. Used as an advocacy tool to promote HIV/AIDS programs to both government and civil society audiences, the presentation (to be launched at the first National HIV/AIDS Summit by President Obasanjo in March 2002) demonstrates the impact of AIDS on Nigeria.

620-010: Improved Management of Critical Elements of the Infrastructure and Energy Sector

Activity under this Special Objective (SPO) supports Nigeria's efforts to rehabilitate its energy, aviation, and port sectors, which have suffered from the same mismanagement and neglect as the rest of the economy. Despite possessing some of the world's largest oil reserves (Nigeria is the 8th largest oil producer), just 34% of Nigerians have any access to electricity (fewer still are regularly supplied), and gasoline and diesel are in chronic short supply; officials in the aviation sector lack the training, support, or authority to ensure the operational safety or security of air services; and inefficiency and corruption at ports have led to port costs that are among the highest in Africa.

Rehabilitation of these infrastructure components represents an important step towards the realization of Nigeria's full economic potential. The poor supply of electricity and fuel significantly retard Nigeria's economic growth, while the state of aviation and port services seriously restrict its ability to participate in the world economy. Equally important, improving the delivery of these services – electricity and fuel in particular – represents a significant democratic dividend. To this end, the SPO met its energy targets for FY 2001, but failed to meet the targets established for the port program.

Achievements

Energy: The majority of USAID's efforts in energy focus on improving electricity services in Nigeria. Short-term objectives for the program concentrate on reforming and restructuring the sector, with an ultimate goal of expanding access to and increasing the supply of electricity. A number of important objectives were realized in 2001. Foremost was the development and provision of a management-approved plan to reorganize the Nigerian Electrical and Power Authority's (NEPA) financial accounting system into separate generation, transmission, and distribution accounts. Unbundling NEPA's financial accounts is an important first step to transferring the utility to private sector control. It will also improve the overall management of NEPA by allowing a more detailed assessment of performance (i.e., by the components); more accurate budgeting, procurement and oversight; and facilitating the introduction of market-based management tools, such as performance-based bonuses. The successful implementation of the USAID's unbundling plan at the Lagos regional office (the largest and most complicated of the 12 regional offices) also represents a significant achievement, demonstrating the plan's viability and serving as an implementation model for the rest of NEPA to follow. The unbundling of NEPA's financial accounting system will be completed in 2002. In addition, technical assistance provided to BPE supported and allowed the National Council on Privatization to finalize and approve a new National Electric Power Policy. This policy provides the legal and regulatory framework for the development of a fully restructured, private power sector. Toward the end of the year, USAID/Nigeria awarded a new IQC that will allow continued support for privatization activities and overall power sector reform.

During the same period, USAID successfully established a sister-utility program whereby NEPA and the U.S.-based Georgia Power exchange information on policy and operational issues. USAID also sponsored two national workshops on rural electrification and renewable energy in which key stakeholders developed a strategic plan to promote rural electrification which will lead to a commercially sustainable renewable energy industry. Finally, USAID and the U.S. Department of Energy signed a major contract to develop a sustainable solar electrification project that will bring (for the first time) power to three villages in Jigawa State. Significantly, the Jigawa State government has provided two-thirds of the funding for this project.

The SPO has directly contributed to enhancing electrical-generation capacity in Nigeria by funding a U.S. Corps of Army Engineers (USCAE) assessment of the Kainji dam and power station in Niger State. This facility is a major asset in NEPA power generating capacity, with an installed capacity of at least 800 megawatts (MW). Even the current production level of 300 MW constitutes a significant portion of the total electricity produced in Nigeria – nearly 10%. In concluding that the Kainji facility can continue producing power for the next 50 years, the USCAE assessment identified the Kainji facility as an important, long-term asset in Nigeria's quest for increased power supplies. To ensure the facility's longevity, and to achieve its full production capacity, the USCAE assessment provides both a recommended program of regular maintenance and a plan for rehabilitation.

In addition to its efforts in the electricity sector, USAID/Nigeria has also been a strong advocate for petroleum product price deregulation, privatization of the downstream oil industry (refineries, pipelines, distribution centers), and the formulation of a new Nigerian Natural Gas Policy and regulations that will promote the development of a commercial natural gas industry. Efforts last year successfully in built partnerships with Nigerian GON institutions on these issues, and designed and funded several activities with the World Bank and other donors to be implemented in 2002.

Aviation: USAID's efforts in the aviation sector focus on improving air safety and security and supporting Nigeria's development into a major hub for air transportation in West Africa. The SPO has funded training and technical assistance to help Nigeria achieve Category One (airline safety) status under the Federal Aviation Administration's International Aviation Safety Assessment Program, which determines the ability of foreign Civil Aviation Authorities to enforce internally agreed safety standards. Achieving Category One status is a requirement for an airline to fly under its own name directly to the United States. Currently, only three countries in Africa have this rating: Ethiopia, Ghana, and South Africa.

While Category One status for Nigeria is yet to be achieved, progress toward this end is substantial. With USAID assistance, Nigeria successfully maintained and improved upon the required minimum airport security status of the international airport in Lagos. This allowed the lifting of the six-year ban on direct flights to the U.S., and the commencement of a joint venture South African Airways-Nigeria Airways direct flight in February 2001. The recent USAID-funded purchase of x-ray machines and bomb detectors for the international airport in Lagos will further enhance security at this facility (installation and training are set to commence by mid-2002). USAID funding has also contributed to the drafting of legislation that will grant the Nigerian Civil Aviation Authority (NCAA) autonomy from the Ministry of Aviation with respect to its oversight function (regulation, air-worthiness, and licensing), also a critical precondition for Category One status.

Ports: USAID's program to reform the ports funded the training of 20 senior maritime officials at the US DOT facility in Kings Port, NY. At the request of the Minister of Transport, these officials have begun drafting a policy paper for the reform of the maritime industry, including privatizing port services, revising port rules and regulations, and improving the environmental impact of ports.

Table 1: Annual Report Selected Performance Measures

December 3, 2001

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives						
1	Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?	Yes X	No	N/A		
2	a. How many alliances did you implement in 2001? (list partners) b. How many alliances do you plan to implement in FY 2002?	2 alliances (polio eradication & contraceptive social marketing) 1			CSD, DA	<u>Polio eradication:</u> WHO, UNICEF, European Union; Governments of Nigeria, U.K., Japan; Rotary International. <u>Contraceptive Social Marketing:</u> Government of U.K.
3	What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?	<u>Polio:</u> \$2m USAID, \$35m others; <u>Social Marketing:</u> \$5m USAID, \$10m U.K.				
Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.						
4	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met X	Not Met	EG, AG, ENV, CSD, ESF, DFA	Data Quality Assessments to be completed by mid-2002
USAID Objective 1: Critical, private markets expanded and strengthened						
5	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged						
6	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A	AG	Data Quality Assessments to be completed by mid-2002
USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable						
7	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded						
8	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A	DA, CSD	Primary education program started in November 2001, with the selection of participant schools just commencing.
9	a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual) b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	Male	Female	Total		
USAID Objective 5: World's environment protected						
10	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
11	a. Hectares under Approved Management Plans (2001 actual) b. Hectares under Approved Management Plans (2002 target)					
Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.						
12	If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed x	Met	Not Met	CSD, DA, ESF	The Measure Evaluation Project provided technical assistance for the Data Quality Assessment.
USAID Objective 1: Reducing the number of unintended pregnancies						
13	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		The Measure Evaluation Project provided technical assistance for the Data Quality Assessment.
USAID Objective 2: Reducing infant and child mortality						
14	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		Implementation of child survival immunization and nutrition program began in late 2001.

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth						
15	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries						
16	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	CSD, ESF	Data quality assessment confirmed by IG Audit in late 2001and with the assistance of the Measure Evaluation Project.
USAID Objective 5: Reducing the threat of infectious diseases of major public health importance						
17	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A	CSD	Malaria prevention Insecticide-treated Nets program to be launched in April 2002.
Pillar IV: Democracy, Conflict and Humanitarian Assistance						
18	If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met x	Not Met	DA, DFA, ESF	Data quality assessments completed with assistance from Management Systems International.
USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened						
19	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A	DA, ESF	(to be clarified)
USAID Objective 2: Credible and competitive political processes encouraged						
20	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes x	No	N/A	ESF	Data quality assessments completed with assistance from Management Systems International.
USAID Objective 3: The development of politically active civil society promoted						
21	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes x	No	N/A	DA	Data quality assessments completed with assistance from Management Systems International. Parnters interpreted data differently in some case. New unified cso program will resolve.
USAID Objective 4: More transparent and accountable government institutions encouraged						
22	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	DA	Data quality assessments completed with assistance from Management Systems International.
USAID Objective 5: Conflict						

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
23 Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A x		
24 Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes x	No	N/A	OTI	Program implemented by OTI, which confirmed impact. USAID Mission assumed activities on closure of OTI in September 2001.
25 Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total		
USAID Objective 6: Humanitarian assistance following natural or other disasters					
26 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No x	N/A		
27 Number of beneficiaries					

Table 2: Selected Performance Measures for Other Reporting Purposes

The information in this table will be used to provide data for standard USAID reporting requirements

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Child Survival Report						
Global Health Objective 1: Reducing the number of unintended pregnancies						
1	Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)	8.60%		CSD	1999 DHS published in December 2000.	
Global Health Objective 2: Reducing infant and child mortality						
2	Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total 24.8%	CSD	1999 DHS published in December 2000.
3	Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total N/A		
4	Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total N/A		
5	Were there any confirmed cases of wild-strain polio transmission in your country?	57			CSD	World Health Organization Surveillance System report for Nigeria, February 2002.
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth						
6	Percentage of births attended by medically-trained personnel (DHS/RHS)					
Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance						
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)				CSD	The malaria program is set to begin in mid-2002. Baseline targets will be set at that time.
	b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)				CSD	
8	a. Proportion of districts implementing the DOTS Tuberculosis strategy (2001 actual)					
	b. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 target)					
HIV/AIDS Report						

Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries						
9	a. Total condom sales (2001 actual)	107 million			CSD	FY 2001 condom sales data from Population Services International, September 2000-September 2001
	b. Total condom sales (2002 target)	120 million			CSD	
10	a. Number of individuals treated in STI programs (2001 actual)	Male	Female	Total		
	b. Number of individuals treated in STI programs (2002 target)					
11	a. Is your operating unit supporting an MTCT program?					
	b. Will your operating unit start an MTCT program in 2002?	no				Nigerian Government has not yet established national policy or guideline. A GON/UNICEF pilot activity is underway
12	a. Number of individuals reached by community and home based care programs (2001 actual)	Male	Female	Total 680	CSD	Data from Family Health International quarterly reports, September 2001.
	b. Number of individuals reached by community and home based care programs (2002 target)			800	CSD	
13	a. Number of orphans and vulnerable children reached (2001 actual)	Male	Female	Total 3,000	CSD	Data from Center for the Development of Population Activities/Africare project reports.
	b. Number of orphans and vulnerable children reached (2002 target)			3000	CSD	
14	a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)	Male	Female	Total		
	b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)					

Victims of Torture Report					
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture					
15	Did you provide support to torture survivors this year, even as part of a larger effort?				
16	Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
17	Number of beneficiaries (children under age 15)	Male	Female	Total	

Global Climate Change			
USAID Objective 5: World's environment protected			
18	Global Climate Change: See GCC Appendix		

***USAID NIGERIA'S
TRANSITION STRATEGY
1999-2003***

Goal: Assist Nigeria's Transition to Economic, Social and Political Stability

Sub-goal: Restoration of public confidence in civilian-led democratic governance

Strategic Objective No. 1

**Sustain Transition to Democratic
Civilian Government**

Strategic Objective No. 2

**Strengthen capacity for Economic
Reform and Agricultural Growth**

Strategic Objective No. 3

**Develop Foundation for Education
Reform**

Strategic Objective No. 4

**Increase the use of family
planning/maternal & child
health/HIV/STD prevention
services**

Special Objective No. 1

**Improved management of critical
elements of infrastructure and
energy sector**

STRATEGIC OBJECTIVE NO. 1

TRANSITION TO DEMOCRATIC CIVILIAN GOVERNANCE SUSTAINED

- Level of Public Patience with Results of Democracy
- Level of Public Satisfaction with Targeted Institutions
- Voter Turnout Rate in Federal Elections

IR 1.1: Government Institutions Demonstrate Increased Transparency and Responsiveness

- Number of Key Bills Passed by Legislatures (National and Targeted State Assemblies) with USAID Input
- Average Number of Cases Disposed over the Course of One Year in Targeted Courts
- Percentage of the Judiciary's Requested Budget That Is Approved by the National Assembly
- [Executive Branch indicator TBD]

IR 1.2: Foundation Established for A Fair and Competitive Electoral System

- Election Management Capacity-Building Scorecard
- Percent of Eligible Citizens Registered to Vote
- Proportion of Parties Receiving Assistance that Prepare Registration Documentation in Keeping with Legal Requirements

IR 1.3: Increased Participation by Civil Society in Conflict Management, Public Deliberations and Oversight of Government

- CSO Advocacy Outcomes Summary
- Percent of USAID-Supported Conflict Management Networks and Forums That Result in Proactive Management of Peace Processes
- Number of CSOs That Report Meeting at Least 80% of Selected Technical/Organizational Capacity Improvements
- Number of Conflict Management Networks and Forums Established

STRATEGIC OBJECTIVE NO. 2

Strengthened Institutional Capacity for Economic Reform and Enhanced Capacity to Revive Agricultural Growth

1. Key policy reform papers presented for adoption by Federal Executive Council.
2. Number of companies readied for privatization.
3. Number of clients receiving USAID supported agricultural productive resources.
4. Number of clients assisted by USAID supported Micro Finance Institutions (MFIs).

IR2.1: GON Economic Policies Formulation process Improved

1. Number of public consultations on budget and economic policy
2. Number of inquiries on investment opportunities
3. Number of government measures taken to combat corruption
4. Key privatization procedures and processes applied
5. Tariff structure harmonized with ECOWAS

IR2.2: Research-Extension-Farmer Linkage improved

1. Number of Improved agricultural technologies extended to farmers
2. Additional sale due to processing and marketing innovation.

IR2.3: Private Sector Services of Selected Institutions Improved

1. Number of Organizations Disseminating Commodity Specific Business Plans
2. Number of additional retail outlets distributing fertilizer
3. Default rates on MFI loans portfolio for USAID assisted units.

STRATEGIC OBJECTIVE NO. 3

DEVELOP THE FOUNDATION FOR EDUCATION REFORM

- # education policy reform initiatives presented at national level
- Increased English literacy and numeracy scores of students in targeted schools
- % English literacy and numeracy agendas implemented in targeted schools
- % of NOIC graduates of Lagos and Delta State programs employed

IR 3.1 Functioning Policy Support System in targeted states

3.1.1 % of data collection forms reliably completed at school level and precisely recorded to State level

3.1.2 # of effective Policy Issue Presentations (PIPs) made at target fora

IR 3.3: Community Participation in primary education increased in targeted states

3.3.1 % of targeted schools develop literacy & numeracy agendas.

3.3.2 # the target communities that have received their first grant to carry out literacy & numeracy agendas.

3.3.3 % of communities with self-governing institutions that have adequate management capacity to implement community literacy & numeracy agendas.

IR 3.2 Teacher training in English literacy and numeracy improved in targeted states

3.2.1 # IRI (Interactive Radio Instruction) lessons (literacy / numeracy) produced and broadcast

3.2.2 % of trained master teachers functioning effectively

3.2.3 # teachers in targeted schools trained in IRI methodology

3.2.4 % of teachers adopting new literacy/numeracy methodology

IR 3.4: Skills training for out-of-school youths improved in target states

3.4.1 # of students in Kano skills training institutions participating in courses revised and/or added to reflect market needs as a result of NOIC activity

3.4.2 # of trainees having received HIV/AIDS instruction and/or Conflict Mitigation training

STRATEGIC OBJECTIVE NO. 4

Increased Use of Family Planning/Maternal and Child Health/Child Survival/Sexually transmitted disease/HIV/AIDS Services and Preventive Measures within a Supportive Policy Environment

Indicators:

- Couple-years of Protection (PSI; CEDPA, EngenderHealth, Pathfinder, JHU/PPFN)
- Contraceptive Prevalence Rate (NDHS)
- DPT 3 Coverage (Baseline – BASICS 20 LGA ICHS; Health Cards; NDHS)
- Exclusive Breastfeeding Coverage (Baseline – BASICS 20 LGA ICHS)
- Condom use at last high-risk sex (Nigerbus; KABP and BSS)

IR 4.1: Increased demand for family planning/reproductive health, HIV/AIDS and child-survival services

Indicators:

- % of non-users among reproductive-age women and men who intend to use contraceptive to prevent/space pregnancy in next 12 months.
- % aware of appropriate breastfeeding practices.
- % who know at least 2 ways to prevent HIV/AIDS.

IR 4.2: Increased access to and availability (supply) of family planning/reproductive health, HIV/AIDS and child-survival services and commodities

Indicators:

- # of condoms sold over past 12 months.
- # of HIV infected persons seen in collaborating health facilities with access to basic care and support.
- % of households with orphans receiving free help from outside the household over past 12 months.
- # of insecticide-treated nets (ITNs) sold nationwide.

IR 4.3: Improved quality of family planning/reproductive health, HIV/AIDS and child-survival services

Indicator:

- Level of quality of FP/RH services at clinical service delivery points (SDPs).
- % of facilities using standard immunization register.

IR 4.4: Increased capacity of family planning/reproductive health, HIV/AIDS and child-survival services

Indicator:

- # of staff of local sub-grantees trained to provide FP/RH information and services through USAID-funded projects.

IR 4.5: Improved policy environment for delivery of family planning/reproductive health, HIV/AIDS and child-survival services

Indicators:

- # of FP/RH policies, plans and guidelines in developed and adopted.
- # of HIV/AIDS policies, plans and guidelines in developed and adopted.

SPECIAL OBJECTIVE

Improved management of critical elements of infrastructure and energy sectors

1. Selected Domestic Energy supplies Increased
2. Percentage Progress towards Achieving ICAO Category 1 Safety Standards

IR 1.1: Energy Sector Operations Improved

1. Efficient use of NEPA electric generation capacity
2. Improved Electricity Distribution
3. Number of Key Energy Sector Policies Developed

IR 1.2: Aviation Safety and Security Enhanced

1. ICAO Category II Security standards Maintained
2. Number of Personnel with Certified Aviation skills

IR 1.3: Increased efficiency of Port services

1. Shippers' Port Waiting Time
2. Number of Key Port Services Privatized

PART VII: ENVIRONMENTAL COMPLIANCE

In mid 2001, USAID/W approved the Mission's request for a two-year extension on the Transition Strategy. As a result, the Mission has extended all of its four strategic objectives and one special objective to December 2003. Thus, the Mission is required to review the three IEEs in place and to prepare two IEEs for SOs for which environmental assessments have not been completed in the past. In response to the recommendation of the Nigeria Program Review held in June 2001, the Mission has contracted for a comprehensive environmental sector assessment, which will take a look at bio-diversity, pollution, desertification, soil erosion and the like. This assessment should be available by mid-2002.

Following is the status of IEEs for each of the strategic/special objectives:

- Strategic Objective No. 1 (620-006): Transition to Democratic Civilian Government Sustained. The Mission has not signed a Strategic Objective Agreement in this sector. As a result, an IEE was not completed. The Mission is requesting Bureau assistance in preparing the IEE to ensure compliance with the Agency's guidance.
- Strategic Objective No. 2 (620-007): Strengthened Institutional Capacity for Economic Reform and Enhance Capacity to Revive Agricultural Growth. The Mission signed a Strategic Objective Agreement with the Government of Nigeria on May 22, 2000. The IEE was signed on May 8, 2000 by the Bureau Environmental Officer and May 16, 2000 by the General Counsel, and provided a two year, \$36.3 million funding level. A Categorical Exclusion was recommended for the studies, institutional capacity building, and privatization and trade activities. A Negative Determination with Conditions was recommended for agriculture technology packages, input supplies system development, agribusiness development and micro enterprise development.

Since the signing of the IEE, the SO completion date has been extended by two years (total of 4 years), and the funding level increased to \$93.5 million. A new activity incorporated into this SO involves the support for Gum Arabic Sector Development. A revision to the SO IEE, signed by the Bureau Environmental Officer on September 21, 2001, recommended a Categorical Exclusion for Gum Arabic, with the proviso that the Mission continued to monitor these activities. Since the activity is just beginning in early 2002, a revision to this IEE is not required. However, environmental assessments have not been completed for several activities underway that support agriculture technology and input supply (fertilizer). The Mission will require Bureau assistance to revise and update the SO IEE to incorporate these activities by mid-2002.

- Strategic Objective No. 3 (620-008): Develop the Foundation for Education Reform. The Mission signed a Strategic Objective Agreement with the Government of Nigeria for this program on July 11, 2000. The Bureau Environmental Officer signed the IEE on June 14, 2000 for a Categorical Exclusion., implementation of this program did began in mid-FY 2001 with the startup of the youth workforce development component. The major component, basic education reform began in November 2001. Although the SOAG has been extended by two years to December 2003 and the estimated funding level increased to \$34.4 million, the SO remains valid, thus a revision to the IEE is not required at this time.
- Strategic Objective No. 4 (620-009): The Mission has not signed a SOAG for this program. However, the Bureau Environmental Officer approved an IEE on July 9, 2001. A Categorical Exclusion was recommended for the SO, with a Negative Determination with Conditions for medical waste handling, storage and disposal, including disposal of body parts, blood and blood components. The IEE also recommend regular monitoring of ongoing activities to ensure compliance with the Agency's regulations. The Mission will begin supporting voluntary counseling and testing within the next quarter. Thus, the Mission is requesting Bureau assistance to amend the IEE to incorporate these new activities.
- Special Objective No.1: Improved Management of Critical Elements of Infrastructure and Energy Sector. This program is not governed under a SOAG and has not had an IEE completed. The SO is

not in compliance with Agency policy and will require Bureau assistance in preparing the IEE. The program will be phased out by December 2003.